GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Horticulture – Implementation of Coconut Palm Insurance Scheme in Andhra Pradesh during 2015-16 - Notification Orders – Issued.

AGRICULTURE & CO-OPERATION (H&S) DEPARTMENT

G.O.RT.No. 65 Dated: 27-01-2016

Read the following :

1. From the COH, A.P., Hyderabad, Lr.No. Fruits/18/2014, Dated:.13/08/2015.
2. From the COH, A.P., Hyd, Lr.No. ITDM & Publicity /18/2014, dt.03.12.2015.
3. From the COH, A.P., Hyd, Lr.No. ITDM & Publicity /18/2014, dt.20.01.2016.

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O R D E R:

The following Notification shall be published in the A.P. State Gazette:

N O T I F I C A T I O N

The Government of Andhra Pradesh hereby notify the Coconut Palm Insurance Scheme during 2015-16 in the State. The details of the notification are appended to this Order.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

CHIRANJIV CHOUDHARY
EX.OFFICIO SECRETARY TO GOVERNMENT (H&S)

To
The Commissioner of Printing & Stationery (Printing Wing), Chanchalguda, Hyderabad, with a request to publish the Notification in the A.P. Extraordinary Gazette and supply 40 copies of the same.
The Commissioner of Horticulture, A.P., Hyderabad.
Copy to:
The Deputy General Manager AIC of India, Hyderabad.
Sf/Sc.

// FORWARDED BY ORDER //

SECTION OFFICER

Notification of National Crop Insurance Programme (NCIP) – Coconut Palm Insurance Scheme (CPIS) in Andhra Pradesh

Ministry of Agriculture, the Government of India (GoI) vide communication No: 13015/02 2012-Credit-II, Dt. 1-11-2013 issued the administrative sanction for implementation of National Crop Insurance Programme (NCIP) in all the states and Union Territories of India with Coconut Palm Insurance Scheme (CPIS) as one component.

Further Government of India has given approval for implementation of the Coconut Palm Insurance Scheme (CPIS) for the year 2015-16 vide their communication No: 13015/02 2012-Credit-II, Dt. 20-03-2015.

In the meeting of State Level Monitoring Committee on CPIS, Government of Andhra Pradesh held on 17-6-2015, the committee has decided to implement National Crop Insurance Programme (NCIP) – Coconut Palm Insurance Scheme in **East Godavari**, **West Godavari, Srikakulam, Visakhapatnam, Vizianagaram and Chittoor districts of Andhra Pradesh** during the year 2015-16.

The important details of the notification with respect to the CPIS are described below:

1. Implementing Agency

CPIS will be implemented by Agricultural Insurance Company of India (AIC) which is the implementing agency for insurance programmes NAIS, MNAIS, CPIS and WBCIS in Andhra Pradesh.

2. Eligibility Criteria

As per the Scheme, individual farmer / grower offering at least 5 healthy nut bearing palms for insurance in specified age group, (4-60 years for dwarf, hybrid and 7-60 years for tall) contiguous area / plot will be eligible for insurance.

3. PALMS COVERED:

Healthy "Nut" bearing coconut palm varieties i.e., Tall, Dwarf and Hybrids grown can be covered.

- Dwarf and Hybrid coconut palms in age range of 4 to 60 years and Tall variety coconut palms in age range of 7 to 60 years are eligible for coverage. Unhealthy and senile palms will be excluded from coverage.
- **Self-Declaration of age group by insured** planter/grower in insurance proposal is acceptable. However, AIC may get the insured palms verified for authenticity, at any time and Insurance becomes void in the event of wrong declaration of age or any material fact by insured, concerning the Insurance.

4. RISK COVERED:

- The scheme covers following perils leading **to death / loss of palm or palms becoming un-productive:**
    - Storm, hailstorm, cyclone typhoon, tornado, heavy rains
    - Flood and inundation.
    - Pest and diseases of widespread nature causing, irreparable damages to palm.
    - Accidental fire, including forest fire and bush fire, lightening.
    - Earth quake, landslide and tsunami.
    - Severe drought and consequential total loss.
- This Insurance policy pays for total loss of palm on account of happening of perils insured leading to death of insured palm or it's becoming unproductive. In case, death of palm is not immediate, payment of sum insured will be payable on production of certificate from Coconut Development Board (CDB) / Horticulture Department justifying cause for declaring palm unproductive. A palm can be declared 'unproductive' only when further growth / rejuvenation of palm is not possible after the same has been damaged by peril(s) insured, provided palm is removed. In case farmer/grower wishes to retain unproductive palm as it is (without felling), salvage value of 50% of sum insured will be deducted from claim. Remaining case, loss of palm will have to be established to occurrence of peril insured.

5. Exclusions:

- No claims shall be payable under the scheme, if number of palms lost due to operation of peril insured i.e., within 'Franchise' clause as mentioned

below. Insurer will not be liable for any payment, under this policy, for any expenses incurred by insured in connection with or in respect of loss other than on account of perils insured. The insurance does not cover following events, in so far as they are applicable, keeping in view scope of insurance cover.

(a) Loss by Theft, War, Invasion, Civil war, Rebellion, Revolution, Insurrection, Mutiny, Lock out, Malicious Damage, Conspiracy, Military/Usurped power, Civil commotion, Confiscation, Requisition/destruction/damage by order of any Government de-jure/de-facto/by any public/municipal/local authority including damage due to power transmission.
(b) Nuclear reaction, nuclear radiation or radioactive contamination.
(c) Impact damage due to aircraft or other falling objects.
(d) Willful negligence of insured and any one acting on his behalf.
(e) Damage caused by human, bird or any animal action.
(f) **[**Improper maintenance of palms**]**.
(g) **[**Palm becoming unhealthy & senile**]**.
(h) Natural mortality of the palm, up-rooting of palm traceable to chiseling of roots.
(i) Loss of capital investment like land cost loss or damage to structures supporting insured palm, irrigation system, agricultural equipment or implements.

6. SUM INSURED & PREMIUM:

- The Sum Insured and premium under Coconut palm Insurance under different age groups will be follows:

Coconut palm age in years	Sum insured per palm (Rs.)	Premium per plant/Year (Rs.)
4th – 15th	900	9.00
16th – 60th	1750	14.00

7. PREMIUM SUBSIDY:

On premium, 50% subsidy will be paid Coconut Development Board (CDB) and 25% by State Government concerned and balance 25% of the premium will be paid by farmer/grower:

Coconut Palm age in years	Premium per plant/year (Rs.)	Farmers share @ 25%
4th – 15th	9.00	2.25
16th – 60th	14.00	3.50

In case some planters/growers association wishes to bear the premium on behalf of planters/growers such association may do so if they have "insurable interest". However, in any case, the planters/growers shall have to bear a minimum of 10% premium.

Premium subsidy amount (50% by CDB and 25% by State Government) will be released to AIC in advance based on estimates, which will be replenished/ adjusted on quarterly/ yearly basis.

8. INSURANCE PERIOID /TERM:

- Polices may be issued on annual basis. However, growers/farmers may obtain a policy for a maximum **period of three years for which rebate in premium @ 7.5% for two year policy and 12.5% for three year policy will be provided to the planters/growers.**

The premium break up for three years is as under.

Coconut Palm age in years	Premium per plant/first year (Rs.)	Farmers share @ 25% per palm	Premium per plant /two years (Rs.)	Farmers share @ 25% per palm	Premium per plant/three years (Rs.)	Farmers share @25 % per palm
4th -15th	9.00	2.25	16.65	4.16	23.63	5.90
16th–60th	14.00	3.50	25.90	6.48	36.75	9.19

- Planters/growers can join the scheme any time during the year. However efforts should be made to insure all eligible farmers/growers by 31st March. In case, farmers/growers join the scheme after 31st March, then the risk is covered from 1st day of succeeding month.

However, loss/death of palms, within 30 days from inception of Insurance, claim is not payable under the scheme, but this condition is not applicable in case of renewal of insurance before expiry of the policy (i.e., without time gap)

9. FRANCHISE CLAUSE:

The claim is assessed only if number of palms damaged, due to perils insured are in a contiguous area is more than the palms lost as shown for different slabs:

S.No.	No. of Insured Palms in a contiguous area	Franchise (Palms lost)
1	60-100	2
2	>100	3

10. ISSUE OF INSURANCE POLICY:

Insurance may be obtained through Coconut Development Board (CDB), directly from representations/ authorized agents of AIC or nearest office of Horticulture Development or Coconut Producers/Growers Societies registered under Societies Act or registered with CDB.

Farmers/Grower who needs to insure his palms should submit the following documents to the CDB/Hort. Dept., as the case may be:

- Proposal forms along with premium amount (by way of DD) (Annexure-I).
- Proof of land record / Plantation or a certificate issued by revenue authorities to / CDB / Hort. Dept.,
- Declaration by farmer that only healthy palms are insured in the proposal forms.
- A rough sketch of the plantation with land identification number of each plot and number of palms therein.

- Premium will be paid by planter/grower, net off premium subsidy, through bank draft, drawn in favour of "AIC of India Ltd A/c no.**008010200023922**" **payable at Hyderabad.**
- Certificate of Insurance / cover note will be issued by AIC to all individual insured farmers/growers, within 30 days from the receipt of proposal, with requisition premium.
- AIC shall also furnished a consolidated list of insure farmers/growers district wise to Coconut Development Board (CDB) and Department of Agriculture, GOI, on quarterly basis.

11. CLAIM ASSESSMENT & SETTLEMENT PROCEDURE:

- Loss of insured palms will be intimated by insured farmers / Growers to **AIC within fifteen days from occurrence of peril**, with all relevant details.
- **Farmers will not move or shift damaged/ lost palms** till inspection of crop by loss assessors is complete.
- Loss assessment certification is required to be furnished by Coconut Development Board (CDB) / Horticulture Department / State Agriculture University (SAU) **as authorized by AIC** for each district, justifying cause for loss of palm, within **fifteen days** from loss intimation.
- AIC, at its discretion may send its representative to assess the loss jointly with the agency designated to certify the loss.
- **AIC will release claim to insured planter / grower within one month from date, all relevant certified details of claim are received in their office**. Release of claim amount, however, is subject to receiving premium subsidy from CDB, and State Government.
- Insurance ceases to operate once a full claim is paid.

12. SERVICE CHARGE:

- **AIC** shall pay service charge to Horticulture Department @ 7.5% of the premium procured by them from the farmers/growers (i.e., on farmers share only).
- Horticulture Department or State Agriculture University (SAU) who are involved in certification of losses may also be paid service charges at rate mutually agreed between concerned agency and AIC.
- These service charges shall be shared equally between AIC and GoI/CDB.

13. ROLES OF VARIOUS AGENCIES:

Roles and responsibilities of Central Government, State Government, Coconut Development Board and Agricultural Insurance Company of India Limited are as defined in the point number 16 of operational modalities of coconut palm insurance scheme (CPIS) under National crop Insurance programme for successful and a smooth implementation of the scheme

14. SERVICE TAX:

CPIS is exempted from payment of Service Tax.

CHIRANJIV CHOUDHARY
EX.OFFICIO SECRETARY TO GOVERNMENT (H&S)